



## **Agri-Food Investment Initiative (AFII) Guidance Notes**

Financial Assistance for transformative capital investment by food and drink processing companies in Northern Ireland.

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## Introduction

The Agri-Food Investment Initiative (AFII) seeks to improve the economic performance and competitiveness of Northern Ireland's Agri-food sector through financial assistance for transformative capital investment in machinery and equipment; the acquisition or development of computer software; and the acquisition of patents, licences, copyrights, and trademarks.

This guidance sets out information to help applicants understand the conditions of the AFII and how to apply.

AFII, which will run until 31 December 2025, provides funding under Invest NI's powers of Selective Financial Assistance as set out in the Industrial Development (Northern Ireland) Order 1982.

Support provided under AFII is made available for SMEs from State Aid for regional investment. Large companies are supported under European Commission's guidelines for State Aid in the agricultural and forestry sectors and in rural areas (2022/C 285/01), specifically aid for investments in connection with the processing of agricultural products.

## Overview of AFII

AFII will support NI food and drink processors from small and medium-sized enterprises (SME's) as well as Large agri-food processing enterprises.

The main aims of AFII are to:

- support enterprises to improve their efficiency
- improve the competitiveness of Northern Ireland's agri-food sector, and
- support capacity building, growth, innovation, and new product development.

Support will be aimed at **transformative capital investment projects** which will be focused on moving the dial on productivity and digitalisation. Projects will be innovative and contribute to the Minister for the Economy's 4 key priorities: creating good jobs; promoting regional balance; raising productivity and reducing carbon emissions.

The initiative has been designed to deliver against the following strategic priorities:

- DfE's economic vision.
- Independent Strategic Review of NI Agri-Food;
- Invest NI's Business Plan; and
- The draft Green Growth Strategy.

It will also support several evolving strategic policies including the Agri-tech sectoral action plan; the Consultation on Approach to Technologies and Clusters; and the KPMG report commissioned by DfE 'Understanding Northern Ireland's Food Supply Chain/Safety and Agri-Tech capability, and future windows of opportunity'.

## Eligible Companies/Sectors

AFII is open to all Invest NI clients and new clients\* operating within one or more of the following food and drink processing sectors:

- Meat processing (beef, sheep, pig, and poultry)
- Dairy, milk, and milk products
- Potatoes
- Cereals/Arable Crops, fruit, and vegetables
- Bakery, Snacks and Convenience
- Drinks and beverages
- Animal feed
- Cold stores (industrially de-rated only)

*\*Businesses which are not currently Invest NI clients must demonstrate that they meet Invest NI's criteria<sup>1</sup> to become a client and if they do so, they will then be on-boarded.*

Due to State Aid restrictions, businesses involved in the following activities should contact their Invest NI Client Executive or [foodenquiries@investni.com](mailto:foodenquiries@investni.com) before completing an online eligibility checker or applying:

- Bakery (only applications from SMEs are eligible)
- Drinks and Beverages (only applications from SMEs are eligible)
- Cold Stores (only applications from SMEs are eligible)
- Egg processing

Applications from businesses involved in the following activities are not eligible:

- Primary Agricultural and Horticulture
- Fish Processing and & Aquaculture
- Food based biofuels

Aid will not be granted to undertakings in difficulty (Appendix A – Company Eligibility Criteria).

There is a limit of 3 successful applications from each Group operating in more than one location in Northern Ireland. A separate application must be submitted for each location.

### Eligibility requirements for Large businesses

To be eligible for support under this scheme, Large businesses (with a staff headcount of 250 persons or more, or a Company with an annual turnover exceeding €50m and a balance sheet total exceeding €43m<sup>2</sup>) must meet the following criteria:

- Processor of Annex I products to Annex I products.  
Large businesses must be involved in the processing of products which fall within the list of primary agricultural products as defined in Annex I to the Treaty of Rome<sup>2</sup>. The end-product must also fall within the list of primary agricultural products.

The Annex I products commodity codes must be declared by the applicant as part of the eligibility process and will be verified by Invest NI.

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<sup>1</sup> Deliver a minimum of £250k turnover p.a. (of which at least 25% must be from external markets) and demonstrate the ability to scale thereafter <sup>2</sup> EU definition [SME Guidance](#)

<sup>2</sup> The Annex I list is a list of products, listed by the chapter heading or sub-chapter headings of the [Common Customs Tariff Nomenclature](#) (EU Regulation No 1101/2014), referred to as Combined Nomenclature.

“Agricultural products” means the products of the soil, of stock farming and of fisheries and products of first-stage processing directly related to these products.

The term "processing of agricultural products" means any operation on an agricultural product resulting in a product which is also an agricultural product, except on-farm activities necessary for preparing an animal or plant product for first sale.

A summary of the list of eligible agricultural inputs and outputs as covered by Annex I of the Treaty of Rome is provided at Appendix B of this guidance.

The processing of Annex I to non-Annex I products is not eligible for support for Large businesses. Where the process results in end products which contains some non-Annex I output, applicants should speak with their Invest NI Client Executive prior to submission of a business plan to discuss eligibility.

- Demonstrate rural benefits  
Large businesses must be active in the processing of agricultural products in rural areas of Northern Ireland or the processing of agricultural products from rural areas of Northern Ireland.

Invest NI’s preferred definition of “Rural” under this scheme is the ‘settlement patterns’ definition whereby those settlements defined as small towns and above (i.e. a population above 5,000) would be classified as urban and those settlements with populations below 5,000 would be classified as rural. Eligibility for AFII is based on this definition but also extends to certain activities even though they are located within urban areas that benefit rural areas, e.g. investments in enterprises in urban areas where benefits resulting from the investment extend to rural areas (this could be demonstrated by, for example, raw material secured from rural areas or employment secured from rural areas).

- Environmental protection  
Large businesses will be required to adhere to all European Union and national legislation with regards to environmental protection – this will include and is not limited to obtaining planning approval and completion of an environmental impact assessment (if required).

## Eligible costs

Eligible costs will include the following:

- Purchase of machinery and equipment up to the market value of the asset\*.
- General costs linked to the expenditure such as architect, engineer and consultation fees, fees relating to advice on environmental and economic sustainability, including feasibility studies.
- Acquisition or development of computer software and the acquisition of patents, licences, copyrights, and trademarks.

*\*Other costs that may be eligible for consideration:*

- *Related party costs, these include purchases from an entity’s subsidiaries, associates, and joint venture interests. It also includes companies with common directors as well as close family members of directors.*
- *Secondhand Plant, Machinery and Equipment (PME).*

Further clarification must be sought from your Client Executive on the additional vouching requirements for related party costs and second hand PME to ensure that these costs are eligible. If your project includes either related party costs or second hand PME, please contact your Client Executive. If you do not have a Client Executive, please contact the Invest NI Food and Drink team on [foodenquiries@investni.com](mailto:foodenquiries@investni.com)

Ineligible costs include, but are not limited to, the following:

- Land purchase
- Lease purchase of machinery and equipment
- Building works\*
- Replacing of 'old' Plant, Machinery and Equipment for 'new'
- Working capital
- Costs related to investments to comply with Union standards in force
- Value added tax (VAT)
- Work already commenced

*\*Some minor internal building works maybe be considered if directly associated with the installation of new Plant, Machinery and Equipment.*

Any expenditure incurred prior to the date of an AFII Letter of Offer will not be eligible for grant support.

Any costs incurred prior to Invest NI receiving an application for aid will not be eligible for grant support. For full details of eligible and ineligible costs, please refer to Appendix C.

## Support thresholds

Flat grant rates do not apply, and levels of assistance must be negotiated.

Small businesses\* - The maximum aid intensity that can be granted is 35% of the eligible investment costs, however, the aid intensity for any individual project will be limited to the minimum support required to implement the project, compared to the counterfactual scenario in the absence of aid.. Minimum project size is £300,000.

Medium businesses\* - The maximum aid intensity that can be granted is 25% of the eligible investment costs, however, the aid intensity for any individual project will be limited to the minimum support required to implement the project, compared to the counterfactual scenario in the absence of aid.. Minimum project size is £500,000.

Large businesses\* - The maximum aid intensity is 20% of the eligible investment costs, however, the aid intensity for any individual project will be limited to the minimum support required to implement the project, compared to the counterfactual scenario in the absence of aid. Minimum project size is £1,000,000.

*\* As per the EU definition, [SMEs](#) are enterprises with a staff headcount of fewer than 250 persons, and which have an annual turnover not exceeding €50m and/or an annual balance sheet total not exceeding €43m.*

The maximum eligible costs per individual investment project under this scheme will not exceed €25m. The maximum assistance available under this scheme will be in the region of £5.0m.

Invest NI will publish the details of all AFII grants above €100,000 awarded and the beneficiaries of the initiative.

## Project Assessment

Applications will be subject to Invest NI's standard appraisal including an assessment of commercial viability, additionality (why government intervention is required), economic efficiency and overall value for money. (Appendix D – Intervention principles)

Financial, and technical assessments undertaken by Invest NI and other experts where appropriate.

Projects will also be required to align with the work of the Department for the Economy (including the DfE's economic vision; KPMGs recent report 'Understanding Northern Ireland's Food Supply Chain/Safety and Agri-Tech capability, and future windows of opportunity; and recommendations on the Approach to Technologies and Clusters); the Independent Strategic Review of NI Agri-Food<sup>3</sup> and the NI Executive's draft Green Growth Strategy<sup>4</sup>.

The impact of the project on the following areas will also be assessed:

- Innovation – Projects should demonstrate 'new to company' product and/or process innovation, including e.g. the adoption of new technologies such as robotics, automation. Applicants will be required to complete an Innovation Accreditation assessment or be accredited before the payment of any claims.
- Regional balance – Projects should demonstrate how they will contribute to regional balance. This could include e.g. how the project will contribute to the rural economy and rural supply chain.
- Sustainability and reduction of carbon emissions – Projects will be required to make a positive contribution to sustainability metrics e.g. a measurable reduction in GHG emissions, carbon footprint, water usage, etc.). Applicants will be required to develop a Sustainability Plan, to the satisfaction of Invest NI, before the payment of any claims.
- Productivity – Projects must result in increased productivity. Potential applicants should engage with their Client Executive to understand which productivity calculation will apply to them.
- Digitalisation – Projects should demonstrate how the investment will support the digital transformation journey of the business.

Applicants should note that AFII is a competitive scheme.

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<sup>3</sup> [Independent Strategic Review of NI Agri-Food Reports | Department of Agriculture, Environment and Rural Affairs \(daera-ni.gov.uk\)](https://daera-ni.gov.uk/independent-strategic-review-of-ni-agri-food-reports)

<sup>4</sup> [Consultation on the draft Green Growth Strategy for Northern Ireland | Department of Agriculture, Environment and Rural Affairs \(daera-ni.gov.uk\)](https://daera-ni.gov.uk/consultation-on-the-draft-green-growth-strategy-for-northern-ireland)

## Approvals and Prioritisation Process

Projects will be appraised in line with Invest NI's standard approvals process and, dependent on the level of grant, following approval from the Department for the Economy and the Department of Finance.

The revised process (March 2025) is as follows:

- MANAGER CASEWORK COMMITTEE  
≥ £100, but < £250k
- EXECUTIVE CASEWORK COMMITTEE  
≥ £250k, but < £1m
- SENIOR EXECUTIVE CASEWORK COMMITTEE  
≥ £1m, but < £2m
- BOARD APPROVAL - Requires DfE or DoF approval  
≥ £2m

\*Please note that these thresholds are subject to change and the most up-to-date policy will apply.

### Prioritisation Process

As AFII is a competitive scheme, subject to approval at casework, all projects will enter a prioritisation process to select the best projects to proceed.

AFII prioritisation will occur quarterly (or more frequently if required) and a notional budget will be assigned to each event. The full budget will not be allocated to any one event, allowing budget to be held back for future events that may provide a greater return on investment.

At each event, AFII projects will be ranked based on their potential return to the NI economy.

Projects which are not prioritised in their first prioritisation event can be considered at the next Prioritisation Event, but if they are not successful for a second time they will be rejected.

### Notification of decision

Timescales will be dependent on the complexity of the project and applicant responsiveness to requests for further information.

The applicant will be kept apprised of the decisions of each panel at each stage of the process. The applicant will receive confirmation in writing of the final decision either through a Letter of Offer or confirmation that support cannot be offered at this time.



## How To Apply

AFII is open to all eligible existing Invest NI Food and drink processing clients and new clients. Businesses which are not currently Invest NI clients must demonstrate that they meet Invest NI's criteria and if they do so, they will be eligible to apply.

All applicants will be required to complete an online eligibility check. As part of the eligibility process, Large businesses will also need to complete an Annex I to Annex I verification form (Appendix E).

Once eligibility is confirmed by Invest NI, applicants will be required to meet with a Client Executive to discuss their project and application in advance of submission.

### **For projects seeking grant assistance >£250K**

If the project aligns with AFII, businesses will be invited to complete and submit an online application form and the following supporting documents:

- Comprehensive Business Plan (which includes details of the proposed project and how the project fits with the overall business strategy).
- Financial Model in excel format with a month-by-month breakdown and including: projected cash flow, profit & loss and balance sheet (for a minimum of three years or for the duration of the project, whichever is greater), together with separate tab detailing cost assumptions on all costs and gross margin components. Profit & loss projections must include detailed direct and indirect costs (inc. labour), breakdown of operating overheads, depreciation, EBITDA. Balance Sheet/Cash-flow projections must include breakdown of current assets & liabilities, including cash and individual sources of debt and dividends.
- Counterfactual scenarios must be provided, which could include: Do Nothing - Counterfactual projections which outline the business performance in the absence of support.
- An electronic copy of your most recent signed statutory accounts.
- An electronic copy of your most recent management accounts.
- Information on your business, such as details on the number of employees and your turnover.
- Capital Costs and Funding table.

As a project progresses, further information will be required including:

- Completion of Invest NI Economic Efficiency tests
- Internal Rate of Return (IRR) calculations

Please note that this list is not exhaustive.

### **For projects seeking grant assistance <£250K**

If the project aligns with AFII, businesses will be invited to complete and submit an online application form and the following supporting documents:

- Comprehensive business plan (if available, however this is not mandatory)
- An electronic copy of your most recent signed statutory accounts.
- An electronic copy of your most recent management accounts.
- Project costs spreadsheet

## Closing date

Invest NI will launch AFII in July 2024 with a call for applications, issuing further calls during 2024 and 2025.

Incomplete applications (where either a business plan or any of the supporting papers are not received) will not be accepted.

## Automated Decision Making

Automated decisions, based on responses to the online eligibility checker, will be carried out to assess the eligibility of an applicant to be issued with an application form. We request that you ensure you select your responses to the eligibility checker carefully and accurately.

Applicants have the option to access a human review of an automated decision if they feel an automated decision has been wrongly made based on the information provided.

To request a review on this basis please email [foodenquiries@investni.com](mailto:foodenquiries@investni.com)

## Complaints

Invest NI is committed to providing a high-quality service to all our customers. However, there may be occasions when problems arise, and you do not receive the service you expect. We want to know when an issue has arisen so that we can put it right and learn from your experience.

### What is a complaint?

A complaint could be about any aspect of our services.

For instance:

- When we do not deliver a service on time
- When we give you the wrong information
- When you receive a poor-quality service
- When you have a problem with the service provided by a member of staff

### What is not a complaint?

There are issues which will not be dealt with under our complaint's procedure.

These include:

- Appeals of business decisions
- Appeals to a tribunal
- An information request
- A request for a service

Such requests will be dealt with as normal business issues, and you should contact the relevant department.

### How to make a complaint?

We are keen to ensure that all complaints about our services are dealt with in a satisfactory way and are resolved as quickly as possible. Often an issue can be resolved easily by contacting the person with whom you have been dealing with. You can do this in person, by telephone, email or letter.

Alternatively, if you would rather not deal with the member of staff responsible or are not sure who is responsible for the service you wish to complain about, you can raise a formal complaint with the Invest NI Complaints Manager.

You can do this by:

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- Emailing us at [complaints.feedback@investni.com](mailto:complaints.feedback@investni.com)
- Submitting your complaint in writing, including your full name and address, as much as you can about the complaint and what has gone wrong, to Invest NI Complaints Manager, Bedford Square, Bedford Street, Belfast, BT2 7ES.

## Appeals procedures

In the first instance, if an applicant is unhappy with the outcome of their application, they can seek feedback on their application.

Should an applicant still be unhappy with the outcome, they can request a review. This review will be deemed to be an appeal made under Stage 1 of Invest NI's Appeals Procedure

Any appeal must be submitted within 30 working days of receipt of notification of the original decision to [AFIIAppeals@investni.com](mailto:AFIIAppeals@investni.com)

## Submitting a claim

Applicants will be required to submit a completed cost-based claim form. Claim forms and guidance notes on how to complete a claim are available at [Submitting your claim | Invest Northern Ireland \(investni.com\)](#)

Your completed claim form should be submitted to [claims@investni.com](mailto:claims@investni.com).

Following receipt of your claim, the Claims team will write to you requesting supporting evidence to verify that the expenditure has been incurred and paid in line with the terms and conditions of your Letter of Offer.

## Your responsibilities

You are responsible for providing accurate and true information on your application.

The provision of wrong or misleading information is an offence and any such information may be used against you in any subsequent criminal investigation. The information provided on your application form may be made available to other departments or agencies for the purposes of preventing or detecting crime.

You are responsible for obtaining any legal consents and complying with any legal requirements for the implementation of your project. This may include but is not limited to requirements in relation to building controls, planning permission and landlord consents.

Invest NI will not accept responsibility for your failure to comply with any legal requirements in the implementation of your project should it be successful.

## Data protection/privacy

AFII is managed and administered by Invest NI who will have access to the information you provide as part of your application; both as a means to assess your eligibility and to conduct any post scheme governance assessments.

As this financial support is sourced from public funds Invest NI will, in the interest of openness and transparency, proactively publish limited information on the funding including:

- Name of applicant
- Application title
- Amount of assistance

Invest NI will handle your data in compliance with applicable laws including the General Data Protection Regulation and the Data Protection Act 2018. For further details on our data handling practices please see the Invest NI Privacy Notice [Privacy notice | Invest Northern Ireland \(investni.com\)](#)

### Further information

If you have any queries or require further information regarding AFII, please email [foodenquiries@investni.com](mailto:foodenquiries@investni.com)

## Appendix A – Company Eligibility Criteria

- (a) Any payments under AFII to any undertaking which has benefitted from earlier unlawful aid declared incompatible by a Commission Decision will be suspended, until that undertaking has reimbursed the total amount of unlawful and incompatible aid and the corresponding recovery interest.
- (b) Assistance under AFII will not be granted to undertakings in difficulty<sup>5</sup>, including:
- i. in the case of a limited liability company, where more than half of its subscribed share capital has disappeared as a result of accumulated losses
  - ii. in the case of a company where at least some members have unlimited liability for the debt of the company, where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses
  - iii. where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors
  - iv. where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan
  - v. where, for the past two years: (i) the undertaking's book debt to equity ratio has been greater than 7.5; and (ii) the undertaking's EBITDA interest coverage ratio has been below 1.0.

This will be assessed as part of the project and business appraisal conducted by Invest NI.

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<sup>5</sup> Within the meaning stipulated in point 35 (15) of the European Union Guidelines for State Aid in the agriculture and forestry sectors and in rural areas 2014 to 2020  
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## Appendix B – Reproduction of Annex I to the Treaty of Rome

### List referred to in Article 38 of the Treaty on the Functioning of the European Union

Important: The Annex I list is a list of products, listed by the chapter heading or sub-chapter headings of the [Common Customs Tariff Nomenclature](#) (EU Regulation No 1101/2014), referred to as Combined

Nomenclature. This list is a *basic guide* to the commodities classified as primary agricultural products.

Number in the Brussels Nomenclature	Description of products
Chapter 1	Live animals
Chapter 2	Meat and edible meat offal
Chapter 3	Fish, crustaceans and molluscs
Chapter 4	Dairy produce; birds' eggs; natural honey
Chapter 5: 05.04	Guts, bladders and stomachs of animals (other than fish), whole and pieces thereof
Chapter 5: 05.15	Animal products not elsewhere specified or included; dead animals of Chapter 1 or Chapter 3, unfit for human consumption
Chapter 6	Live trees and other plants; bulbs, roots and the like, cut flowers and ornamental foliage
Chapter 7	Edible vegetables and certain roots and tubers
Chapter 8	Edible fruit and nuts; peel of melons or citrus fruit
Chapter 9	Coffee, tea and spices, excluding maté (heading No 09.03)
Chapter 10	Cereals
Chapter 11	Products of the milling industry, malt and starches; gluten; inulin
Chapter 12	Oil seeds and oleaginous fruit, miscellaneous grains, seeds and fruit; industrial or medical plants; straw and fodder
Chapter 13: Ex 13.03	Pectin

Chapter 15	
15.01	Lard and other rendered pig fat; rendered poultry fat
15.02	Unrendered fats of bovine cattle, sheep or goats; tallow (including 'premier jus') produced from those fats
15.03	Lard stearin, oleostearin and tallow stearin; lard oil, oleo-oil and tallow oil, not emulsified or mixed or prepared in any way
15.04	Fats and oils, of fish and marine mammals, whether or not refined
15.07	Fixed vegetables oils, fluid or solid, crude, refined or purified
15.12	Animal or vegetable fats and oils, hydrogenated, whether or not refined, but not further prepared
15.13	Margarine, imitation lard and other prepared edible fats
15.17	Residues resulting from the treatment of fatty substances or animal or vegetable waxes
Chapter 16	Preparations of meat, of fish, of crustaceans or molluscs
Chapter 17:	
17.01	Beet sugar and cane sugar, solid
17.02	Other sugars; sugar syrups; artificial honey (whether or not mixed with natural honey); caramel
17.03	Molasses, whether or not decolourised
17.05 (*)	Flavoured or coloured sugars, syrups and molasses (including vanilla sugar or vanillin), with the exception of fruit juice containing added sugar in any proportion
Chapter 18:	
18.01	Cocoa beans, whole or broken, raw or roasted
18.02	Cocoa shells, husks, skins and waste
Chapter 20:	Preparations of vegetables, fruit or other parts of plants

Chapter 22: 22.04	Grape must, in fermentation or with fermentation arrested by the addition of alcohol
22.05	Wine of fresh grapes; grape must, with fermentation arrested by the addition of alcohol
22.07	Other fermented beverages (for example, cider, perry and mead)
Ex 22.08 (*) EX 22.09 (*)	Ethyl alcohol or neutral spirits, whether or not denatured, of any strength, obtained from agricultural products listed in Annex I, excluding liqueurs and other spirituous beverages and compound alcoholic preparations (known as 'concentrated extracts') for the manufacture of beverages
22.10 (*)	Vinegar and substitutes for vinegar
Chapter 23:	Residues and waste from the food industries; prepared animal fodder
Chapter 24: 24.01	Unmanufactured tobacco, tobacco refuse
Chapter 45: 45.01	Natural cork, unworked, crushed, granulated or ground; waste cork
Chapter 54: 54.01	Flax, raw or processed but not spun; flax tow and waste (including pulled or garnetted rags)
Chapter 57: 57.01	True hemp (Cannabis sativa, raw or processed but not spun; tow and waste of true hemp (including pulled or garnetted rags or ropes)

\* Entry added by Article 1 of Regulation No 7a of the Council of the European Economic Community of 18 December 1959 (OJ No 7, 30.1.1961, p. 71/61)



## Appendix C – Eligible and ineligible costs

- (a) AFII will support investments in tangible and intangible assets in connection with the processing of agricultural products;
- (b) Projects where the end product is not within the list of primary agricultural products and/or miscellaneous edible preparations as defined in Annex I to the Treaty of Rome will not be supported;
- (c) The eligible costs will be limited to:
  - i. the purchase of machinery and equipment up to the market value of the asset;
  - ii. the general costs linked to the expenditure referred to in points (i) and (ii) above, such as architect, engineer and consultation fees, fees relating to advice on environmental and economic sustainability, including feasibility studies; and
  - iii. the acquisition or development of computer software and the acquisition of patents, licences, copyrights and trademarks.
- (d) The eligible costs will be supported by documentary evidence.
- (e) Aid is payable against eligible vouched expenditure, based on the information provided in the beneficiary's business plan and the subsequent appraisal of the project and business.
- (f) Financial assistance provided under AFII will not be granted alongside aid under other schemes where that aid seeks to support the same eligible costs.
- (g) The following costs are not eligible:
  - i. Costs connected with leasing contracts, such as lessor's margin, interest refinancing costs, overheads and insurance charges;
  - ii. working capital;
  - iii. costs related to investments to comply with Union standards in force;
  - iv. Value added tax (VAT) is not eligible for support unless it is not recoverable under UK VAT legislation.
- (h) The scheme will not provide grant aid for food-based biofuels.
- (i) AFIS will not subsidise the costs of an activity that beneficiaries would have incurred in any event and will not compensate for normal business risk.
- (j) Aid will not be provided to undertakings if work on the project started prior to the date of an AFIS Letter of Offer. Any costs incurred prior to Invest NI receiving an application for aid will not be eligible for grant support.
- (k) Invest NI will not provide financial support where an incentive effect cannot be demonstrated.

## Appendix D – Invest NI Intervention Principles

No.	Principle	Comment
1	<b>Strategic Fit</b>	How a project aligns with the customer's business strategy and that of the relevant Northern Ireland Programme for Government, Economic Strategy and Invest NI Business Strategy
2	<b>Proposed Assistance &amp; Market Failure</b>	That there is a sound rationale for Invest NI support along with what funding streams will be used, including the Market Failure
3	<b>Project Risk</b>	Clear definition of the risks faced either to the customer or Invest NI in delivering a project and how they will be mitigated
4	<b>Viability</b>	The commercial strength and sustainability of the customer and project
5	<b>Additionality</b>	The impact of Invest NI's support on a project's scope, scale or timing
6	<b>Mobility</b>	Whether a customer has viable and realistic alternative for the location for a project or for the use of available funds?
7	<b>Displacement</b>	Likelihood that a project will impact jobs or sales in Northern Ireland competitors or in other UK regions
8	<b>Economic Efficiency</b>	Whether the benefits of the project (public and private) exceed the costs (public and private)
9	<b>Control Calculations &amp; Cost-effectiveness</b>	Confirmation that European Union (EU) State aid and Department of Finance (DoF) funding thresholds have not been breached and conclusion on how cost-effective the intervention is
10	<b>Affordability</b>	Ability of Invest NI to support the project within available resources
11	<b>Value For Money Conclusion &amp; Recommendation</b>	Invest NI must be satisfied that overall, providing support towards a project represents value for money and that the support is justified.
12	<b>Conditions of Support</b>	Conditions to be attached to the offer that address risk or maximise value

## Appendix E – ANNEX I TO ANNEX I Verification Form



### Agri-Food Investment Initiative

#### Annex I Processing Determination

*To be completed by Large Enterprises only*

<b>Business Name<sup>6</sup></b>			<b>Company Registration Number (if applicable)</b>	
<b>Business address (incl. postcode)</b>			<b>Main activity of business</b>	

<b>Project Title</b>			
<b>Project Details (3 lines max)</b>			
<b>Project contact:</b>			
<b>Contact Tel. No.</b>		<b>Contact address</b>	<b>E-mail</b>
<b>Anticipated Project start date</b>		<b>Anticipated Project completion date</b>	

Annex 1 to Annex 1					
Is your business engaged in the processing of Annex I agricultural products <sup>7</sup> ? (a basic list of Annex I products is provided on page 3)	<input type="checkbox"/> Yes <input type="checkbox"/> No				
Will the proposed project support the processing of Annex I agricultural products which, following the processing activity, will still be categorised as Annex I products <sup>8</sup> ?	<input type="checkbox"/> Yes <input type="checkbox"/> No				
<p><b>If yes</b>, in the space below provide the CN codes<sup>9</sup> for the products that will be the subject of the investment, and the CN codes after the processing has been undertaken (the CN code provided should be a minimum of six figures in order to clearly demonstrate the status of the product as Annex I<sup>10</sup>):</p> <table border="1"> <tr> <td>CN Codes for products that will be the subject of this investment:</td> <td>CN Codes after processing has been undertaken:</td> </tr> <tr> <td>   </td> <td>   </td> </tr> </table>		CN Codes for products that will be the subject of this investment:	CN Codes after processing has been undertaken:	   	   
CN Codes for products that will be the subject of this investment:	CN Codes after processing has been undertaken:				

<sup>6</sup> Insert the exact registered Company name. Where the Company trading name is different, please state both names.

<sup>7</sup> The term Annex I refers to the list of products referred to in Article 38 of the Treaty on the Functioning of the European Union. Annex I lists all agricultural products which could be subject to a Common Market Organisation in the framework of the Common Agricultural Policy.

<sup>8</sup> Annex I categorisation is subject to confirmation following assessment by Invest NI, working with other government Departments

<sup>9</sup> CN refers to Combined Nomenclature, which is the European Union's classification of goods, which meets requirements in terms of external trade statistics (both intra- and extra-Union) and the customs tariffs within the meaning of Article 38 of the Treaty on the Functioning of the European Union.

<sup>10</sup> Page 3 of this document provides a link to the Official Journal of the European Union to enable the identification of CN Codes.

## BUSINESS DECLARATION

On behalf of the Business named above, I confirm that:	YES	NO
i. the applicant business is proposing to undertake a capital investment project in excess of £1m in eligible expenditure and not exceeding €25m in eligible expenditure.	<input type="checkbox"/>	<input type="checkbox"/>
ii. the applicant business is engaged in the processing of Annex I agricultural products.	<input type="checkbox"/>	<input type="checkbox"/>
iii. the proposed project will support the processing of Annex I agricultural products which, following the processing activity, will still be categorised as Annex I products.	<input type="checkbox"/>	<input type="checkbox"/>
iv. the applicant business named above has not sought and will not seek aid from any other State agency in respect of expenditure related to this project.	<input type="checkbox"/>	<input type="checkbox"/>
v. the proposed project will comply/complies with National and EU legislative and regulatory environmental requirements and standards.	<input type="checkbox"/>	<input type="checkbox"/>
vi. that the applicant business will provide Invest NI with further information as required to assess Annex I processing status.	<input type="checkbox"/>	<input type="checkbox"/>
vii. that the applicant business acknowledges that in its assessment of Annex I processing, Invest NI may be required to share project information with other government Departments.	<input type="checkbox"/>	<input type="checkbox"/>
<b>Declaration</b>		
This declaration must be made, in the case of a Limited company, by a Director or the Secretary. In the case of a Sole Trader or Partnership, by a Proprietor or Partner.		
<b>I confirm that the information contained in this form is true and accurate at the date of signing.</b> <b>Name:</b> <b>Position:</b> <b>Date:</b>		

## **ANNEX I TREATY OF ROME**

### **List referred to in Article 38 of the Treaty on the Functioning of the European Union**

The Annex I list is a list of products, listed by the chapter heading or sub-chapter headings of the [Common Customs Tariff Nomenclature](#) (EU Regulation No 1101/2014), referred to as Combined Nomenclature.

In your declaration you should provide a minimum six-digit CN code. If you need advice on determining your Annex I products/identifying the relevant CN Codes, please speak with your Invest NI Client Executive.

**FOR OFFICIAL USE ONLY****ASSESSMENT OF ANNEX I PROCESSING**

*To be inserted from Business Declaration:*

<b>Business Name</b>	
<b>Project Title</b>	

The applicant business has declared that it is engaged in the processing of Annex I agricultural products.

The applicant business has declared that the proposed project supports the production and processing of Annex I agricultural products which, following the processing activity, will still be categorised as Annex I products.

The applicant business has provided the CN codes for the products that will be the subject of the investment:

--

The applicant business has provided the CN codes for the products after the processing has been undertaken:

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**Based upon your assessment of the information provided by the business, do you consider that the proposed project will support the processing of Annex I agricultural products which, following the processing activity, will still be categorised as Annex I products?**

<b>Invest NI Client Executive</b>	<b>AFII Team</b>
<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
<input type="checkbox"/> No	<input type="checkbox"/> No
<b>Name:</b>	<b>Name:</b>
<b>Date:</b>	<b>Date:</b>

Based on the information provided, Invest NI's Subsidy Control & State Aid Team is content that there are no state aid impediments at this stage.

**Invest NI  
State Aid Team**

☐ Yes

☐ No

**Name:**

**Date:**